

Economy Watchers Survey
March 2026

OVERVIEW OF THE MONTH

The DI for current economic conditions in March (seasonally adjusted) went down by 6.7 points from the previous month to 42.2.

The household activity-related DI went down mainly because the food and beverage-related DI decreased. The corporate activity-related DI went down mainly because the DI for the non-manufacturing sector decreased. The employment-related DI decreased.

The DI for future economic conditions in March (seasonally adjusted) went down by 11.3 points from the previous month to 38.7.

The household activity-, corporate activity-, and employment-related DIs all fell.

On a not seasonally adjusted basis, the DI for current economic conditions fell by 3.5 points from the previous month to 44.7, and the DI for future economic conditions fell by 12.2 points from the previous month to 39.6.

The assessment of Economy Watchers indicated in this survey can be summarized as follows: The economy has recently shown some weakness in its movement of picking up, against the backdrop of a decline in economic sentiment caused by the situation in the Middle East. As for the future, uncertainty arising from the situation in the Middle East exists.

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SUMMARY OF CHARACTERISTIC REASONS**FOR THE ASSESSMENT OF THE ECONOMY**

National

(Assessments) **A**, Better; **B**, Slightly better; **C**, Unchanged; **D**, Slightly worse; **E**, Worse**1. Current conditions**

<i>Household activity</i>	
B	<ul style="list-style-type: none"> We usually see a larger number of guests in March thanks to the spring vacation. In March this year, the number is slightly higher than last year. During the month, most of our guests are individuals rather than group tourists, and our hotel is crowded with many guests from Japan and abroad. The stable weather has contributed to the briskness. (Kinki: Tourist hotel)
C	<ul style="list-style-type: none"> Although sales are rising year on year thanks to unit price hikes, sales volume is continuing to decline. (Chugoku: Supermarket)
D	<ul style="list-style-type: none"> We feel that people are refraining from going out as gasoline prices are rising due to the situation in the Middle East. We feel so especially because our restaurant is located roadside. Due to this situation, sales and the number of visitors are decreasing. (Southern Kanto: Standard-class restaurant) Customers who visit model condominium rooms are generally becoming less willing to buy condominium units. However, some customers are purchasing relatively cheap finished condominium units after careful consideration. (Hokkaido: Housing dealer)
<i>Corporate activity</i>	
B	<ul style="list-style-type: none"> As semiconductor-related customers have increased their equipment, the number of orders has increased. Orders related to nickel-metal hydride batteries are stable. So, we are performing well. (Tokai: Ceramic, clay, and stone products manufacturer)
C	<ul style="list-style-type: none"> The number of orders has not changed much from three months ago, but we are worried about the impact of the situation in the Middle East in the future. (Northern Kanto: Electrical machinery and equipment manufacturer)
<i>Employment</i>	
C	<ul style="list-style-type: none"> Although there has been no significant change in the numbers of job seekers, referrals, and job finders, the number of job openings and the ratio of job openings to applicants have continued to gradually decline year on year, affected by labor, raw material, fuel, and utility cost hikes. While companies that benefit from the depreciation of the yen and conduct overseas transactions are seeing increased sales and profits, a general sense of anxiety is intensifying due to the sharp increase in crude oil prices caused by the situation in the Middle East. (Hokuriku: Employment security office)

2. Future conditions

<i>Household activity</i>	
B	<ul style="list-style-type: none"> It seems that consumers are getting used to high prices. Given the continuation of the situation where prices are unlikely to decline, we expect sales to increase at the timing of regular vehicle inspections and tire replacements. (Tohoku: Auto dealer)

D	<ul style="list-style-type: none">• As the absence of factors contributing to increasing the number of visitors is coupled with rising labor costs, our profits are not increasing. Since prices are rising generally, we are concerned that our customers will become more reluctant to buy. (Kyushu: Convenience store)• We are concerned that travel demand will decline due to the price and airfare hikes that accompany crude oil price increases. Furthermore, gasoline price hikes are discouraging people from going on excursions, leading us to expect that the number of visitors to hotels and tourist facilities in the northern region will decrease. (Okinawa: Tourist hotel)• It has been reported that prices will increase for more than 2,000 goods, including food products, from April. In addition, gasoline price hikes will discourage people from going out and eating at hotels and restaurants. We are very concerned about how long price hikes will continue in the future. (Koshinetsu: Urban hotel)
<i>Corporate activity</i>	
C	<ul style="list-style-type: none">• Inquiries about dining and drinking event plans are increasing somewhat. Given that recent long summers have included heat waves, however, indoor event plans may increase. (Tokai: Advertising agency)
D	<ul style="list-style-type: none">• So far, there has been no change in production and business plans at our major business partners. In the future, however, they may be affected depending on the future situation in the Middle East. The future is uncertain. (Northern Kanto: Transportation machinery and tool manufacturer)
<i>Employment</i>	
E	<ul style="list-style-type: none">• There are concerns that the sense of uncertainty about the world situation will affect the recruitment behavior of companies. (Tokai: Temporary staffing company)